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## ABSTRACT

A voluntary extracurricular research seminar on free enterprise for grades 7-9 is described. To acquaint students with the free enterprise system and its relation to society, lectures and discussions examine components of an equation. The components are: man's material welfare = natural resources + human effort x tools of production ( $MMW = NR + HE \times TP$ ). In conjunction with this, students examine one aspect of the free enterprise system, producing papers researched entirely from locally available library materials, which are then displayed at a culminating fair. Included in this course description are teaching guidelines, class structure recommendations, and bibliography. (LP)

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# THE FREE ENTERPRISE SYSTEM

A MIDDLE SCHOOL SEMINAR  
FOR STUDENTS IN GRADES 7-9

BY

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## P R O J E C T

This PROJECT is in the form of a SEMINAR. It is a RESEARCH PROJECT which uses CONCEPTS that are NECESSARY to understand BASIC ECONOMICS.

There is not a suggested book list given out. The student is informed that the LIBRARY IS THE BEST RESOURCE in the school. The INSTRUCTOR is responsible for this emphasis.

There are no class text books in this seminar. The student researches and RECORDS the results using as many SOURCES as possible, which are CHECKED by the instructor for ACCURACY.

## OUTLINE

I. THE FREE ENTERPRISE SYSTEM (ASEMINAR) - NARRATIVE

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## NARRATIVE

### THE FREE ENTERPRISE SYSTEM (A SEMINAR)

The objective of this seminar is to create an atmosphere for research by students, in the middle school years.

The initiative and basic motivation is provided by the instructor, through a short series of lectures (15 min) and questions developed during class periods.

The instructor does not provide a crutch nor does he/she allow the students to depend on them for the available answers.

Each student is expected to use any/all available material in the local school library - and there is a large amount of this material in any middle school library.

The teacher serves as a motivator and moves the research according to the assigned section of the equation.

No student is expected to supply a summary of the entire system, only one part that has been preassigned to that student.

As far as we can determine, no assignments of like manner are made to students who are friends or neighbors to avoid duplication of this basic research.

We have ruled out the typewritten research paper, for this age group.

Motor skills and reliability of sophisticated display are questionable in this age group, therefore we only accept handwritten research papers.

This also eliminates the parents and older sibling from the total input for which the student must be credited.

As the seminar develops, many questions are produced, the instructor must guide the students into an area of useful information and encourage research rather than to give patterned answers.

The conclusion of the seminar must be a display of the students activities, findings and research.

The instructor can develop the summary materials by combining the individual reports and using the materials developed by students.

Parents, teachers and school officials can easily see and appreciate the seminar through an economic fair type, closing activity complete with display of student's work.

The research papers are presented, and two or more of the students can recite or explain (in some format) the results of their own research.

The formula is put on display with no explanation and the closing activities provide the explanation along with a total display of each student's work.

A very effective seminar can be produced and appreciated by parents and involved students.

## INTRODUCTION

### THE FREE ENTERPRISE SYSTEM

This Seminar was presented to a group of middle school students (7th grade). The course of instruction is very brief but leading the student into more complex study.

$$MMW = NR + H \cdot E \times TP$$

The simple equation is enough to center the course objectives around:

The objectives are:

- (1) To create interest in the basic study of economics.
- (2) To teach students to apply these basic thoughts to broader problems of the economy, and display them on paper.
- (3) To produce a research paper, in the handwriting style of the student explaining one (1) part of the system - (no interest is given to cosmetic quality, no typing).
- (4) For the instructor this produces an opportunity to break down the equation into pieces and join it all together with use of the student's research papers.
- (5) To display the whole operation with data and personal observation - before the peer groups and parents - with the approval of persons in authority.

All work to be maintained as a research library for evaluation of class work.

E.M. Smith

COURSE STRUCTURE  
MIDDLE SCHOOL SEMINAR  
7 - 9  
"The Free enterprise system"

The stated aim of this seminar is to begin with the basic concepts within the system and develop each one individually.

The understanding and application of the finished product will be developed when all parts are brought together in a class situation.

Students are chosen by their own initiative, the teacher merely states that we have a project which will help us to understand and be able to identify the free enterprise system, then ask for volunteers to study 6 weeks, after school. The formula for our study is given out on the first day of class activity, in this manner. (The Instructor places the following information on the chalk-board.  $MMW = NR + HE \times TP$ .)

The formula is broken down through the following explanation:  
 $MMW$  = Man's material welfare - it tells us how well things are going with each person and their family. How much he/she wears and their life as measured in material possessions. This is the end result of basic understanding of the building blocks of the system.

Each meeting produces a new segment of the equation and is explained.  
This side is stated as:

$NR$  = Natural resources, the basic material that are in the earth, and on the earth with which to start building a system. Wood, coal, oil, seeds, weather patterns, climatic conditions, general global location, these things are basic and they can only become useful through the freedom to use.

$HE$  = Human effort, the effort to cut trees, mine coal, plant seeds, utilize

weather patterns and seek out the needs of those who are a part of the general population in this global location. (Is there a market for this item.) Humans put forth the effort to drill for oil, seek new energy sources and even conserve what is presently there to be used at a later date, we recognize the application of the law of supply and demand.

TP = Tools of production - the most essential factor in any economic system is a question; Who controls the tools of production? The effect of the tools of production is to multiply human effort. When there is a limit placed on the ownership of the tools of production the system is severely affected. The basis of a free economy is the ability to utilize the tools of production. Production is usually controlled by the needs of the general public. This feature of the equation multiplies the human effort which is necessary to produce enough for the market. When confirmed by the emphasis of supply and demand, the tools of production are of the highest priority. Whoever controls the tools of production can regulate the system, or help to define what type of system we shall have in any society.

The work with students is done through simple definitions and the short (15 min) thoughtful lectures. The instruction helps to break down the system into component parts. When the system has been displayed in parts, the leading questions are asked by the students. Usually they ask, "how does this part work" or "How can we recognize this part of the equation?"

When the instruction begins to produce question - the whole concept is broken down into segment and each student is assigned one segment to research and present at a later date. (1 month) Example: Mary will present MMW - Man's material welfare, John will present NR - Natural resources, and each student is assigned, one part of the equation.

The lectures (15 min) and classes (20 min) continue for at least 1½ months from the initial date. At each session, questions are invited and answered, while the general interest is directed toward small segments of the equation as assigned.

Each student is given an opportunity to ask questions and seek explanations for the research that has been assigned. No text books are recommended. This is a very important teaching aid, since the student has to seek out books by titles and locate the information before preparing his/her research paper.

The final stages of the seminar will seek to assemble all of the segments of the equation into a working system - which we identify as the free enterprise system.

Usually students are amazed that such a simple equation can become so involved, examples:

Natural resources produces thought of scarcity - when there is not enough for everyone then what?

Human effort produces a market, and sometimes the market begins to control. Supply must meet with demand and so dictate the effect of the market place.

Tools of Production - what about the inter-dependence of the system. What happens when the tools do not produce the desired goods? How much does one industry depend on another - The furniture industry with the lumber industry - the Automobile industry without the steel maker and foundries. All of the system seems to be interdependent and really it is!

This kind of development produces a good set of research papers and a very valuable teaching tool for economics at this level.

### "OVERVIEW"

This seminar is developed from an equation and all instructional data is tied to this basic equation.

Students learn that the system is a free system-that it is relative to the society in which it is employed; The system is free to meet all requirements and expectations, as it serves the needs of the society.

It is also an enterprise which denotes work, the work must be done and each task is interrelated.

The students are involved with the question of scarcity from the resource level to the marketplace.

Instructions must point out the methods that are used to overcome the problems, research develops around the solutions of these problems.

This research must be basic and complete to the point of explanation of how things are done. The students find the relation between supply and demand, between abundant resources and scarcity, between independence and interdependence.

The research paper is filled with hints of a more involved plot than this simple equation - The instructor uses this involvement to arouse further interest in a more detailed study of our economic system.

All research that has been produced is foundational and now the student looks forward to the greater implications of his/her research.

The instructor must bring all parts of the equation together in the two final sessions and display for the student the interdependence of the whole system.

The student must be led to see that when any part of the equation is missing, adjustment must be made.

The seminar produces many fine research papers and motivates the students in the ongoing study of our economic system.

Very rewarding experiences have been noted, and students have been very enthusiastic.

### "TEACHING GUIDELINES"

- (1) The instructor must state clearly the objectives of the class: To understand and be able to apply the concept of the FREE ENTERPRISE SYSTEM.
- (2) The instructor will not give direct or final type answers - merely suggest what an answer should include and direct the student to a research source.
- (3) No typed reports are acceptable, this will tend to rule out a family editor, require the student to make the report (research) in his/her own handwriting.
- (4) Only two meetings per week for six weeks, research starts with the third meeting of the group and concludes with the fifth weekend. (The time frame is very important to avoid dullness). The last week can be used for some presentation before the student body or PTA as a closing exercise.
- (5) The teacher should limit the amount of volunteers. Students should be screened privately to ascertain that they are doing well with the required classes for this grade level. Only those students who are displaying ability in regular classes should be accepted for this additional seminar.
- (6) This seminar is an information source and it will appeal to students well motivated in general studies. No grades are given or added to the general subject area but the student will benefit immensely when the parts all fall in place. The usefulness of this basic concept can be supportive at any class level. All results are published in the general school population and among parents.
- (7) All discussion should center around the FREE ENTERPRISE SYSTEM, and this will lead into many useful economic concepts.

Such as:

- (1) The Market Economy
- (2) The reality of scarcity
- (3) Supply and demand
- (4) Natural resources as a vital element
- (5) Interdependence
- (6) Automation - (Human effort)
- (7) The labor force & production
- (8) Free and forced labor

The teacher must insert all available material which updates this basic concept and the class will respond positively. The time is limited but sufficient for effective study, while not long enough to produce boredom.

### CLASS STRUCTURE

- (1) The class is usually quite interested in something "new", and so this factor is stressed in the introductory phases - The class can have as many as 25 or as few as 5 - (one person for each segment of the equation).
- (2) The instruction is clearly stated to reduce confusion or skepticism but with enough excitement to produce questions - Students respond well to an instructor who states "This is the system which built our economy".
- (3) No student is forced to continue in the seminar, encouragement is always a necessary factor but no coercion, this will not produce a good research paper. A well motivated student produces the best research material, because it is a question of honor among peers.
- (4) The class is constructed in such manner as to use all available time well. The class starts immediately after the regular day and lasts for twenty minutes fifteen for lecture - five for questions and encouragement of student.
- (5) No student is accepted over the objections of another instructor within the regular class schedule.
- (6) The final class meeting is in preparation for a display of research work. The research papers are put on display and a short economics "fair" display is used, with charts, pictures and at least three resource speakers to explain the project.

This is the culminating activity.

Resource persons can be:

- (1) Teachers
- (2) School Officials
- (3) Public Officials

We used school officials in the seminar.

All research papers are available in keeping with the continuity of the project.

RECORDED EVENTS

- (1) Twenty-five research papers have been produced, most of them are very neat and they involve the questions applicable to the student's assignment.
- (2) The instructor has visited the library with individual students by request only. An invitation from a student to study is encouraging to any instructor.
- (3) Officials gladly accept an opportunity to appear at an economic fair styled project - for closing activities.
- (4) It is not recommended, but many students contact this instructor at home with research questions.
- (5) As a pilot project this is simple enough for middle school students and its depth is unlimited.
- (6) Students work hard to promote the display for closing activities and they are proud to display their work at this time.
- (7) Each student is given a certificate of honor for work in the seminar - as a reward - Very effective.

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